



Capital Area Transportation Authority  
 4615 Tranter Street  
 Lansing, MI 48910

**REQUEST FOR QUOTE**  
**BUY AMERICA VEHICLE AUDITS AND INSPECTION SERVICES**  
**RFQ 2023-556**

<b>1. SOLICITATION No:</b> RFQ 2023-556	<b>2. ISSUE DATE:</b> April 18, 2023
<b>3. FOR INFORMATION CONTACT</b> <b>NAME:</b> Ashlee Boss <b>E-MAIL:</b> aboss@cata.org	<b>PHONE:</b> 517.394.1100 ext. 2532

**4. DESCRIPTION:**

The Capital Area Transportation Authority ("CATA") in Lansing, Michigan, is requesting pricing for **BUY AMERICA VEHICLE AUDITS AND INSPECTION SERVICES** in accordance with the Scope of Work as described in Exhibit A.

ALL QUESTIONS MUST BE SUBMITTED VIA EMAIL TO: Ashlee Boss ([aboss@cata.org](mailto:aboss@cata.org)) by April 24, 2023, at 11:00 A.M. Eastern Time.

CATA responses to vendor questions, April 27, 2023.

**QUOTES MUST BE SUBMITTED VIA EMAIL TO:**  
 Capital Area Transportation Authority  
 Attn: Ashlee Boss, Procurement Specialist  
[aboss@cata.org](mailto:aboss@cata.org)

Quotes for "BUY AMERICA VEHICLE AUDITS AND INSPECTION SERVICES" submitted to Capital Area Transportation Authority, Lansing, Michigan will be received at [aboss@cata.org](mailto:aboss@cata.org) until May 8, 2023, 11:00 A.M. Eastern Time. Emails received at 11:01 A.M. Eastern Time or later, will be considered NON-RESPONSIVE.

CATA email accepts up to 50MB. It is the vendor's responsibility to ensure each email sent to CATA does not exceed 50MB.

**5. QUOTES DUE BY: MONDAY, MAY 8, 2023, at 11:00 A.M. EASTERN TIME**

**6. FIRM OFFER PERIOD:** Offers shall remain firm for a period of **120** calendar days from the date specified above or as amended.

**7.** If this Quote is accepted within the period specified above, Bidder agrees to fully provide the goods and/or services covered by this solicitation at the prices and timelines specified in the solicitation.

**8. The following Exhibits, if indicated, are included in this solicitation:**

<input checked="" type="checkbox"/>	EXHIBIT A – Scope of Work	<input checked="" type="checkbox"/>	EXHIBIT B – Pricing Schedule	<input checked="" type="checkbox"/>	EXHIBIT C – Submittal Checklist
<input checked="" type="checkbox"/>	EXHIBIT D – Iran Economic Sanctions Act Certificate	<input checked="" type="checkbox"/>	EXHIBIT E – Bidder's Offer & Guarantees	<input checked="" type="checkbox"/>	EXHIBIT F – Debarment & Suspension - Primary
<input checked="" type="checkbox"/>	EXHIBIT G – Debarment & Suspension – Lower-Tier	<input checked="" type="checkbox"/>	EXHIBIT H – CATA Terms & Conditions		

## EXHIBIT A SCOPE OF WORK

**BASIS OF AWARD: The award of this order is based on the lowest responsive and responsible bidder(s) as determined by the Capital Area Transportation Authority (CATA).**

**Please Note:** This bid package and any amendments are available at [www.cata.org](http://www.cata.org). Please continue checking the website for any updates or amendments.

1. Service Period

CATA intends to award a firm a fixed price contract. The services of the Contractor will be based on the Scope of Work.

2. Scope of Work

**\*\* Please be advised travel may be required and the vendor must include all expenses in the pricing schedule. It is the vendor's responsibility to understand the manufacturer's requirements for the Pre-Award, Post-Delivery Audits, and Inspection Services.**

### **SECTION A: FTA BUY AMERICA PRE-AWARD VEHICLE AUDITS.**

**Total: Up to Nine (9), New Nova Buses.**

- Up to One (1), Sixty Foot (60'), Nova Bus.
- Up to Eight (8), Forty Foot (40'), Nova Buses.
  - Estimated On-Line Production schedule; 4th quarter of 2023.
  - The component and subcomponent parts of the rolling stock that are produced in the United States are more than 70 percent.

General Provisions: The overall goal for these services is to ensure that each of the vehicles being produced is manufactured in compliance with 49 CFR Part 663, "Pre-Award and Post-Delivery Audits of Rolling Stock Purchases" regulations and 49 CFR 661 "Buy America" requirements. The vehicles must comply fully with the specifications of the order.

The contractor shall provide the minimum of the following services under this contract:

- Buy America Pre-Award and Post-Delivery required FTA audits and documentation pertaining to the transit vehicles purchased per FTA 2017 Handbook No. 0106.

### **SECTION B: FTA BUY AMERICA POST-DELIVERY VEHICLE AUDITS.**

**Total: Up to Nine (9), New Nova Buses.**

- Up to One (1), Sixty Foot (60'), Nova Bus.
- Up to Eight (8), Forty Foot (40'), Nova Buses.
  - Estimated On-Line Production schedule; 4th quarter of 2023.
  - The component and subcomponent parts of the rolling stock that are produced in the United States are more than 70 percent.

General Provisions: The overall goal for these services is to ensure that each of the vehicles being produced is manufactured in compliance with 49 CFR Part 663, "Pre-Award and Post-Delivery Audits of Rolling Stock Purchases" regulations and 49 CFR 661 "Buy America" requirements. The vehicles must comply fully with the specifications of the order.

The contractor shall provide the minimum of the following services under this contract:

- Buy America Pre-Award and Post-Delivery required FTA audits and documentation pertaining to the transit vehicles purchased per FTA 2017 Handbook No. 0106.

### **SECTION C: FTA BUY AMERICA IN-PLANT INSPECTIONS.**

**Total: Up to Nine (9), New Nova Buses.**

- Up to One (1), Sixty Foot (60'), Nova Bus.
- Up to Eight (8), Forty Foot (40'), Nova Buses.
  - Estimated On-Line Production schedule; 4th quarter of 2023.
  - Nova Bus is located in Plattsburgh, New York

General Provisions: The successful proposer shall be selected to conduct vehicle line inspection and secondary in-plant quality assurance services. The overall goal for these services is to ensure that each of the vehicles being produced is manufactured in compliance with 49 CFR Part 663, "Post-Delivery Audits of Rolling Stock Purchases" regulations and 49 CFR 661 "Buy America" requirements. The vehicles must comply fully with the

specifications of the order, and ensure that each vehicle is free from defects. This in-plant inspection during the manufacturing process will monitor the production quality and ensure that each vehicle is built properly according to specifications.

Objectives: The contractor shall perform necessary, thorough FTA inspections of the vehicles, product quality assurance, as well as provide audits and certifications required for FTA Buy America regulations pertaining to rolling stock purchases. CATA considers the Contractor's ability to plan, communicate and execute these services as a requirement of award of this contract.

The contractor shall provide the minimum of the following services under this contract:

- Buy America Post-Delivery required FTA audit and documentation pertaining to the transit vehicle purchased.
- Technical configuration certification and reports.
- In-plant inspections.

1. Pre-production off line activities:

- Introduce proposed production line inspectors
- Review proposed production locations and schedules
- Review final build specifications and configuration sales order
- Review customer contacts
- Review invoicing procedures
- Review paperwork cataloging

2. On Site Production Line Monitoring and Inspection:

- Create daily on-line web site contact for pictures and comment texts
- Considerable in plant(s) inspection labor time must be spent throughout the production and quality assurance processes
- Inspect each frame and designated vehicle assembly stations
- Inspect all systems and assemblies
- Inspect all welding
- Inspect all hydraulic, compressed air, coolant, air conditioning, and all other fluids for leaks
- Inspect all fasteners, clamps and plugs for quality assurance torques and markings
- Inspect all wires and wiring for protection, spares, routing, chafing, abrasion and sharp edges
- Check all chassis electrical grounds for torque spec. and markings
- Inspect the integrity and installation of all circuit terminals, boards, plug in connectors
- Inspect the alignment of component installation, and support structures
- Inspect the alignment of all doors, hinges, floor covering, ducting, interior and exterior panels and hatches, moldings, bumpers and seat supports
- Inspect the installation of all glass, stanchions, hanging straps, flip seats, seats and driver's seat
- Inspect the installation and operation of the driver barrier
- Inspect proper thickness, type, adhesion, and appearance of all glues, sealants, paints and primers
- Inspect materials, routing, stress relief, and support of rigid and flexible lines for power steering, hydraulics, transmission, pressure and temperature sensors, coolant, brakes, air systems and wheelchair ramp
- Inspect front, middle and rear suspension and steering alignments.
- Inspect articulated joint mounting, connections, functions, turning and up and down movement
- Inspect proper location and mounting of labeling, decals and signs
- Inspect all barriers, panels and doors for mounting, finish, color and alignment
- Inspect wheelchair ramp installation, function and safety systems
- Inspect all ADA equipment for installation, mounting, function and labeling
- Inspect all passengers seating and stanchions for location, amount and installation

3. Pre-Delivery Testing:

- Conducts several visual and measured inspections in every area of the vehicle including undercarriage, engine compartment, interior, and exterior, and functional test such as:
  - Water testing, HVAC tests, wheelchair and ADA equipment tests, air brake tests, road testing, turning tests, and retarder testing, etc.
  - Interior testing for: drivers controls, instrumentation, interior trim, trim panels, exit signals, electronic signs, mirrors, radio, AVL, camera, PA system, windows, destination signs and wheelchair ramp.
  - Exterior testing for: body, rain gutters, all doors, exterior lighting, outside mirrors, exhaust system, bumpers, bike rack and batteries.
  - Inspect the engine compartment, engine, generator, transmission, including all sub-components, hose and pipe routing, leaks, noises, electric fan(s) operation, support brackets, overall integrity and possible warranty defects.

- Road test for final inspection, for noises, vibration, shift points, rattles, shaking, road handling, acceleration and braking and HVAC performance.

#### 4. Release for Delivery:

- Prior to release all snag defect reports must be completed. Contact CATA representative for acceptance and release permission. Maintain all discrepancy reports. Must submit hard copy as well as electronic copy of all discrepancies, inspections, findings, road tests, vehicle build sheet, alignment settings and weight tickets.

#### **Post-Delivery Buy America Audit:**

Post-Delivery Buy America audits are completed prior to title of rolling stock being transferred from the vehicle manufacturer to CATA and while the vehicles are at the manufacturer vehicle acceptance plant:

Minimum elements of Post-Delivery audits shall include:

- Buy America Certification auditor's report prepared by someone other than the manufacturer consisting of the following elements:
  - a) All final components and subcomponents identified by the manufacturer of the parts, their country of origin, and cost. The component and subcomponent parts of the rolling stock that are produced in the United States are more than 65 percent.
  - b) The actual location of final assembly point for rolling stock, including a description of the activities that took place at the final assembly point and the cost of final assembly.
  - c) Purchaser's Vehicle Specification Certification audit includes:
    - Provide accurate records of all vehicle construction activities.
    - Address how the construction and operation of the vehicle fulfills the contract specifications.
    - A copy of the manufacturer's Federal Motor Vehicle Safety Standards (FMVSS) Certificate.

#### **Post-Delivery Buy America Audit Report Requirements:**

Reports shall contain a minimum of the following:

- a) Introduction: shall contain Buy America background and discussion of requirements, including any recent changes and discussion relating to comparison with the Pre-Award audit.
- b) Signature Pages: auditor's certification, inspector's certification, purchaser's Buy America certification, purchaser's FMVSS certification, manufacturer's FMVSS approvals and certifications.
- c) Methodology: shall contain discussion of how the audit was conducted.
- d) Certification: shall contain any necessary discussion about the vehicle and its compliance details, including a table of major components and subcomponents with compliance percentages.
- e) Inspection: shall contain a discussion of all visual inspections during the production; contain any inspector's notes, emails and any issues discovered during production.
- f) Manufacturer / Supplier Buy America certification with complete vehicle parts listing and compliance percentages.
- g) Final Assembly: discussion and cost of final assembly process and a final configuration audit with regards to purchaser specifications.

#### **Contractor Responsibilities:**

- Weekly Status Report:
  - Progress of each vehicle in the production cycle
  - Include any concerns or problems identified as well as any corrective actions
  - Email format
- Monthly Status Report:
  - Status of order
  - Summation of the daily inspector's production reports for the month
  - Individual vehicle status
  - Any pre-delivery inspection and testing reports
  - Manufacturer's production process quality assurance reports, as available
  - Technical specification configuration certification reports
- The Contractor shall be responsible for the professional quality, technical accuracy, and the coordination of all designs, specifications, and other services furnished by the Contractor under this contract. The Contractor shall, without compensation, correct or revise any errors or deficiencies in its designs, drawings, reports and other services. The Contractor shall not jeopardize or add risk to CATA's procurement during the performance of this service including contributing to the late delivery of the vehicles.
- It is the Contractor responsibility to perform quality service under this contract. The Contractors personnel shall possess thorough knowledge, expertise, skills and experience in the following minimum subject matter: public transit, quality assurance techniques, quality control techniques,

quality management planning, Buy America provisions, FTA vehicle purchase regulations, factory and field product inspection and acceptance testing, auditing and project management. CATA reserves the right to disapprove any Contractor's staff assigned to the perform work under this contract, and/or Contractor's proposed changes in staff. CATA will not reimburse the Contractor for additional expenses for staff changes requested by CATA under this contract. Such disapproval will require removal or reassignment of the staff found unacceptable by CATA for good cause. Good cause includes, but not limited to, any conflict of interest or lack of performance, real or apparent. This right extends to subcontractors used under this contract.

- The Contractor shall be responsible for acceptance testing and inspection of vehicles prior to delivery to CATA. Written documentation of the performance testing shall be submitted to CATA. Any concerns, issues or failures shall be documented as well as the correction made by the vehicle manufacturer.
  - All work performance and services by the Contractor under this agreement shall be the property of CATA. All reports, drawings, specifications, photographs and electronic data developed by the Contractor shall be surrendered to CATA at the conclusion of this contract or upon request.
  - The Contractor expressly waives all copyright privileges to such information, and CATA may use or modify same without any additional payment to the Contractor. Any data used in, or developed as a result of, this contract shall be revealed to no one except CATA without the expressed consent of CATA.
3. Vendor to provide to CATA one (1) digital / electronic copy of the report.
  4. Ownership: All work performance and services by the Contractor under this agreement shall be the property of CATA. All reports, drawings, specifications, photographs and electronic data developed by the Contractor shall be surrendered to CATA at the conclusion of this contract or upon request.
  5. The Contractor expressly waives all copyright privileges to such information, and CATA may use or modify same without any additional payment to the Contractor. Any data used in, or developed as a result of, this contract shall be revealed to no one except CATA without the expressed consent of CATA.
  6. Prices quoted will include all fees. Prices should be based on CATA's status as a tax exempt, municipal government agency.

**END OF THIS SECTION**

**EXHIBIT B  
PRICING SCHEDULE**

Please show the price to perform the following:

<b>SECTION A - DESCRIPTION – PRE-AWARD AUDITS</b>	<b>QTY</b>	<b>Cost Per Vehicle</b>	<b>Total</b>
Buy America Bus Audit – <b>Pre-Award Audits</b> Including all expenses (airfare/travel fees, lodging, meals, etc.) o Total: Up to One (1), Sixty Foot (60’), New Nova Buses	1	N/A	\$ _____
Buy America Bus Audit – <b>Pre-Award Audits</b> Including all expenses (airfare/travel fees, lodging, meals, etc.) o Total: Up to Eight (8), Forty Foot (40’), New Nova Buses	8	N/A	\$ _____
<b>SECTION A - SUB TOTAL:</b>			\$ _____

<b>SECTION B - DESCRIPTION – POST-DELIVERY AUDITS</b>	<b>QTY</b>	<b>Cost Per Vehicle</b>	<b>Total</b>
Buy America Bus Audit – <b>Post-Delivery Audits</b> Including all expenses (airfare/travel fees, lodging, meals, etc.) o Total: Up to One (1), Sixty Foot (60’), New Nova Buses	1	N/A	\$ _____
Buy America Bus Audit – <b>Post-Delivery Audits</b> Including all expenses (airfare/travel fees, lodging, meals, etc.) o Total: Up to Eight (8), Forty Foot (40’), New Nova Buses	8	N/A	\$ _____
<b>SECTION B - SUB TOTAL:</b>			\$ _____

<b>SECTION C - DESCRIPTION – IN-PLANT INSPECTIONS</b>	<b>QTY</b>	<b>Cost Per Vehicle</b>	<b>Total</b>
<b>In-Plant Inspections</b> Including all expenses (airfare/travel fees, lodging, meals, etc.) o Total: Up to One (1), Sixty Foot (60’), New Nova Buses	1	\$ _____	\$ _____
<b>In-Plant Inspections</b> Including all expenses (airfare/travel fees, lodging, meals, etc.) o Total: Up to Eight (8), Forty Foot (40’), New Nova Buses	8	\$ _____	\$ _____
<b>SECTION C - SUB TOTAL:</b>			\$ _____

<p><b>GRAND TOTAL:</b> (Section A + Section B + Section C)</p>	<p>\$ _____</p>
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DESCRIPTION	Cost Per Day
Production Delay(s) Including all expenses (airfare/travel fees, lodging, meals, etc.) o Total: One (1), Sixty Foot (60'), New Nova Buses	\$ _____
Production Delay(s) Including all expenses (airfare/travel fees, lodging, meals, etc.) o Total: Eight (8), Forty Foot (40'), New Nova Buses	\$ _____

**CATA has the right to make award(s) on the basis of each individual item or any combination of items, or in the aggregate of all items.**

Bidder: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**THIS FORM MUST BE COMPLETED AND RETURNED WITH YOUR OFFER**

**EXHIBIT C  
SUBMITTAL CHECKLIST**

Deadline: May 8, 2023, by 11:00 A.M. Eastern Time *(A quote will be automatically rejected if it is received after the stated deadline.)*

**All forms/certifications below MUST be completed and included when you submit your quote package.**

**Failure to submit the requested documents could result in determining the submission as non-responsive and rejected.**

- Signed and completed Pricing Schedule Form
- Signed and completed Submittal Checklist Form
- Signed Iran Economic Sanctions Act Certificate
- Signed and completed Offer and Guarantees
- Signed Certification of Primary Contractor Regarding Debarment & Suspension
- Signed Certification of Lower-Tier Participants (Sub-Contractors) Regarding Debarment & Suspension (if applicable)
- Signed and completed Amendment(s) (as issued)

**Please Note:** This bid package and any amendments are available at [www.cata.org](http://www.cata.org). Please continue checking the website for any updates or amendments.

**SUBMITTED QUOTE CONTAINS ALL COMPLETED FORMS/CERTIFICATIONS AS LISTED ABOVE**

Bidder: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**THIS FORM MUST BE COMPLETED AND RETURNED WITH YOUR OFFER**

**EXHIBIT D**  
**IRAN ECONOMIC SANCTIONS ACT CERTIFICATE**

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In accordance with the Iran Economic Sanctions Act, Michigan 2012 PA 517, effective April 1, 2013, (MCL 129.311, *et seq.*), the undersigned certifies in support of its bid or proposal that it is not an Iran linked business as such is defined in the Act.

Bidder: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**THIS FORM MUST BE COMPLETED AND RETURNED WITH YOUR OFFER**

**EXHIBIT E**  
**OFFER and GUARANTEES**

By execution below, the Bidder hereby offers to furnish the items as described herein. The Bidder also certifies that it can and will provide and make available, at a minimum, the items set forth in this solicitation.

<b>FIRM'S NAME AND ADDRESS</b>		<b>PAYMENT REMITTANCE ADDRESS</b>	
<b>Name:</b>		<b>Name:</b>	
<b>Address:</b>		<b>Address:</b>	
<b>P.O. Box or Suite No.</b>		<b>P.O. Box or Suite No.</b>	
<b>City</b>		<b>City</b>	
<b>State</b>	<b>Zip</b>	<b>State</b>	<b>Zip</b>
<b>Contact Person:</b>			
<b>Telephone No.</b>	<b>Fax No.</b>	<b>E-Mail Address:</b>	
<b>FEDERAL EMPLOYER I.D. NUMBER:</b>		<b>SOCIAL SECURITY NUMBER:</b> (If Federal I.D. is not applicable)	
<b>Payment Terms:</b>		<b>Age of Firm:</b>	
<b>Disadvantaged Business Enterprise:</b> ( ) Yes                    ( ) No If yes, attach the certificate from the certifying agency.			
<b>Minority Business Category:</b> ( ) Female ( ) Black ( ) Hispanic ( ) Asian American ( ) Indian/Alaskan Native ( ) Other ( ) Not Applicable			
<b>Annual Gross Receipts:</b> ( ) less than \$500,000 ( ) \$500,000 to \$1 million ( ) \$1 million to \$5 million ( ) greater than \$5 million			
<b>Contractor's License Type:</b>			
<b>Contractor's License Number:</b>			
<b>License Expiration Date:</b>			
<b>NAME OF BIDDER (Type or Print)</b>		<b>TITLE OF BIDDER</b>	
<b>Signature of Contractor's Authorized Official</b>		<b>(Date Signed)</b>	

**THIS FORM MUST BE COMPLETED AND RETURNED WITH YOUR OFFER**

**EXHIBIT F**

**CERTIFICATION OF PRIMARY CONTRACTOR REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS**

The Primary Contractor, \_\_\_\_\_, certifies to the best of its knowledge and belief, that it and its principals:

- 1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- 2. Have not within a three (3) year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or Local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or Local) with commission of any of the offense enumerated in paragraph (2) of this certification; and
- 4. Have not within a three (3) year period preceding this application/proposal had one (1) or more public transactions (Federal, State, or Local) terminated for cause or default.

If the above-named Primary Contractor is unable to certify to any of the statements in this certification, the Primary Contractor shall attach an explanation to this certification.

The Primary Contractor, \_\_\_\_\_, certifies or affirms the truthfulness and accuracy of the contents of the statements submitted on or with this certification and understands that the provision of 31 U.S.C. Section 3801 et seq. are applicable thereto.

Bidder: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT G**

**CERTIFICATION OF LOWER-TIER PARTICIPANTS (SUB-CONTRACTORS) REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS**

**Debarment and Suspension Certification (Lower-Tier Covered Transaction)**

This form is to be submitted by each Subcontractor receiving an amount exceeding \$25,000.

The prospective lower-tier participant (Proposer) certifies, by submission of this Proposal, that neither it nor its "principals" as defined at 49 CFR § 29.105(p) is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

If the prospective Proposer is unable to certify to the statement above, it shall attach an explanation, and indicate that it has done so by placing an "X" in the following space: \_\_\_\_\_

**THE PROPOSER, \_\_\_\_\_, CERTIFIES OR AFFIRMS THE TRUTHFULNESS AND ACCURACY OF EACH STATEMENT OF ITS CERTIFICATION AND EXPLANATION, IF ANY. IN ADDITION, THE PROPOSER UNDERSTANDS AND AGREES THAT THE PROVISIONS OF 31 USC §§ 3801 ET SEQ. APPLY TO THIS CERTIFICATION AND EXPLANATION, IF ANY.**

**Name and title of the Proposer's authorized official:**

\_\_\_\_\_  
Authorized signature

\_\_\_\_\_  
Date

## EXHIBIT H TERMS and CONDITIONS

### A. THE FOLLOWING TERMS AND CONDITIONS WILL BE A PART OF THE CONTRACT AWARDED.

1. **CHANGES.** CATA, at any time, by a written order, and without notice to the sureties, may make changes within the general scope of this contract, in (a) drawings, designs or specifications where the supplies to be furnished are specifically manufactured for CATA in accordance therewith; (b) method of shipment or packing; and (c) place of delivery. If any such change causes an increase or decrease in the cost of, or the time required for performance of this contract, whether changed or not changed by such order, an equitable adjustment shall be made by written modification of the contract. Any claim by the Contractor for adjustment under this clause must be asserted within thirty (30) days from the date of receipt by the Contractor of the notification of change; provided that CATA, if it decides that the facts justify the action, may receive and act upon any such claim if asserted prior to dispute concerning a question of fact within the meaning of the clause of this contract entitled "Disputes." However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
2. **TERMINATION FOR DEFAULT.** CATA, by written notice, may terminate the contract awarded on the basis of this proposal, in whole or in part, for failure of the Contractor to perform any of the provisions hereof. In such event, the Contractor shall be liable for damages, including the excess cost of reprocurring similar supplies or services, provided, that if (a) it is determined for any reason that the Contractor was not in default or, (b) the Contractor's failure to perform is without his control, fault or negligence, the termination shall be deemed to be a termination for convenience under the following Paragraph 3.
3. **TERMINATION FOR CONVENIENCE.** CATA, by written notice, may terminate the contract, awarded on the basis of this proposal, in whole or in part, when it determines it is in the best interest of CATA. If this contract is for supplies and is so terminated, the Contractor shall be compensated in accordance with its auditable cost incurred at the time of notification of termination. To the extent that the contract is for services and is so terminated, CATA shall be liable only for payment in accordance with the payment provisions of the contract for services rendered to the effective date of termination.
4. **ADDITIONAL INFORMATION.** The Contractor shall promptly furnish any additional information requested by CATA relative to the equipment it proposes.
5. **SUPPLIER RESPONSIBILITY.** No advantage shall be taken by the Contractor or its Subcontractor in the omission of any part or detail which goes to make the equipment complete and operable for use by CATA. In case of any variance, this specification shall overrule Contractor or Subcontractor specifications. The Contractor shall assume responsibility for all materials used whether the same is manufactured by the Contractor or purchased ready made from a source outside Contractor's company. In the case of the replacement of a Subcontractor, the Contractor must, within five (5) working days, notify CATA in writing of the replacement and provide name, address, telephone number, and the type of service.
6. **DELIVERY.** Service and/or equipment will be delivered to Capital Area Transportation Authority, 4615 Tranter Street, Lansing, Michigan 48910. The Authority will assume custody of all property at one of its other locations, if so directed, in writing by CATA. Invoices shall be furnished with the delivery of each item. CATA reserves the right to inspect all deliveries or services before acceptance.
7. **BREACH OF CONTRACT.** If the Contractor shall fail, refuse or neglect to comply with the terms of these contract conditions, such failure shall be deemed a total breach of contract. Contractor shall be subject to all legal remedies that CATA may have and CATA may recover, in addition to any damages or costs relating to failure to comply, its reasonable attorneys' fees resulting from Contractor's breach.
8. **DISPUTES (AFTER BID AWARD).** Except as otherwise provided in the contract, any dispute concerning a question of fact arising under the contract which is not disposed of by agreement between CATA and Contractor shall be decided by CATA's Program Manager in writing, with a copy mailed or otherwise furnished to the Contractor. The decision of CATA shall be final and conclusive unless within ten (10) days from the date of receipt of such copy, the Contractor mails or otherwise furnishes to CATA a written appeal addressed to CATA's Chief Executive Officer for the determination of such appeal, which shall be final and conclusive, unless determined by a court of competent jurisdiction to have been fraudulent or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal proceeding under this clause, the Contractor shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending a final decision of the dispute, the Contractor shall proceed diligently with the performance of the contract and in accordance with CATA's decision.
9. **DELIVERY EXTENSION AND DELAYS.** CATA reserves the right to extend, postpone or reschedule delivery in case the delivery of service equipment, under this contract, shall be necessarily delayed because of strike, injunction, civil disturbance, government controls, or by reason of any cause or circumstance beyond the control of the Contractor, as

detailed in writing by the Contractor, the time of completion or a delivery shall be extended by a number of days to be determined in each instance by CATA.

10. **INSTALLATION.** If specified, the Contractor shall install and place in operation, subject to approval by CATA, the equipment at the Contractor's expense within thirty (30) days from issuance of a notice to install issued by CATA.
11. **INSTALLATION EXTENSION AND DELAYS.** CATA reserves the right to extend, postpone, or reschedule installation in case the installation of equipment under this contract shall be necessarily delayed because of strike, injunction, civil disturbance, government controls, or by reason or cause or circumstances beyond the control of the Contractor. The time of completion or installation shall be extended by a number of days to be determined in each instance by CATA.
12. **ASSEMBLY.** If required, the Contractor shall assemble the equipment at its expense prior to installation.
13. **ACCESSORIES.** The Contractor shall furnish, without additional cost, all accessories required to permit CATA to operate any equipment being provided.
14. **TRAINING.** The Contractor, without additional cost, shall properly train CATA personnel in the operation and maintenance of the equipment provided.
15. **SERVICE MANUAL AND WIRING SCHEMATIC.** If specified, the Contractor will provide at least one copy of a service manual and at least one copy of a wiring schematic for individual components and other schematics and drawings.
16. **WARRANTY.** The Contractor shall describe its policy or warranty(s) both on workmanship and material as applying to the equipment, along with the method or adjustment, and shall be further subject to warranty requirements of CATA as set forth in the following Paragraph 17.
17. **CATA WARRANTY.** The Contractor agrees that the supplies or services furnished under this contract shall be covered by the most favorable warranties the Contractor gives any customer for such equipment and that the rights and remedies provided herein are in addition to and do not limit any rights afforded to CATA by any other clause of this contract. The Contractor shall state the warranty and supply with its bid.
18. **INSURANCE.** The Contractor shall place and maintain with responsible insurance carriers the following insurance. The Contractor shall deliver to CATA, upon request, certificates of insurance which shall provide thirty (30) days' written notice to be given to CATA in the event of cancellation. Contractor shall require all Subcontractors to maintain adequate insurance coverage.
  - (a) Workers' Compensation and Employer's Liability Insurance.
    - (1) Workers' Compensation in compliance with the applicable state and federal laws.
    - (2) Employer's Liability. Limit \$1,000,000.
  - (b) Commercial General Liability Insurance, including Professional Liability, Blanket contractual, XCU Hazards, Broad Form Property Damage, Completed Operations, and Independent Contractor's Liability, all applicable to Personal Injury, Bodily Injury and Property Damage to a combined single limit of \$1,000,000 each occurrence/claim, subject to a \$2,000,000 annual aggregate for Professional Liability, Completed Operations and Personal Injury other than Bodily Injury.
  - (c) Automobile Liability Insurance, including owned, hired and non-owned automobiles, Bodily Injury and Property Damage, to a combined single limit of \$1,000,000 each occurrence.
19. **INDEMNIFICATION.** In addition to the protection afforded by any policy of insurance, the Contractor agrees to indemnify and save harmless CATA, the Michigan Department of Transportation ("MDOT"), the Federal Transit Administration ("FTA"), and all officers, agents, and employees thereof:
  - (a) From any and all claims by persons, firms, or corporations for labor, materials, supplies, or services provided to the Contractor in connection with the Contractor's performance of the contract; and
  - (b) From any and all claims for injuries to or death of any and all persons, for loss of or damage to property, for environmental damage, degradation and response, and cleanup costs, and for attorney fees and related costs arising out of, under, or by reason of the Contractor's negligent performance of the contract.

CATA will not be subject to any obligations or liabilities by Subcontractors of the Contractor or their Subcontractors or any other person not a party to this contract without its specific consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof.

20. **ACCEPTANCE OF MATERIAL - NO RELEASE.** Unless CATA otherwise agrees in writing, acceptance of any portion of the material prior to final acceptance shall not release the Contractor from liability for faulty workmanship or materials or for failure to fully comply with all of the terms of this contract. CATA reserves the right and shall be at liberty to inspect all materials and workmanship at any time during the manufacturing process, and shall have the right to reject all materials and workmanship which do not conform with the contract requirements and specifications; provided, however, that CATA is under no duty to make such inspection and no inspection so made shall relieve Contractor from any obligation to furnish materials and workmanship in accordance with the contract requirements and specifications.
21. **FINAL ACCEPTANCE.** Upon final acceptance by CATA of all work to be performed by the Contractor, CATA will so notify the Contractor in writing. The date of final acceptance shall commence the warranty period.
22. **LIQUIDATED DAMAGES.** If the Contractor fails to deliver the requirements by the date as set forth in the bid documents scheduled for delivery, CATA shall be paid damages for each consecutive calendar day thereafter until the goods are delivered, unless a completion date is extended by CATA in writing. Inasmuch as the amount of such damages will be extremely difficult to ascertain, the Contractor agrees to compensate CATA the sum of \$ Not Applicable per day, which sum is hereby agreed upon, fixed and determined by the parties hereto as the liquidated damages that CATA will suffer by reason of said delay and default and not as a penalty; and CATA shall have the right to deduct such sum from any amounts which may otherwise become due under contract.
23. **NO ASSIGNMENT OF CONTRACT.** Contractor may not assign or transfer any interest in the contract without the prior written consent of CATA.
24. **DEFECTIVE WORKMANSHIP AND MATERIAL.** When and as often as CATA determines that the work done or being done under the contract or the kind of quality or materials supplied in connection therewith are not fully and completely in accordance with any requirement of the contract documents, it may give notice of such noncompliance to the Contractor in writing and the Contractor shall immediately upon receipt of such notice do all things required to remedy such noncompliance without additional cost to CATA. If the Contractor fails to comply with such written notice, then CATA, upon written notice to the Contractor, shall deduct the cost of repair, replacement or correction of defective or damaged work from the compensation due or to become due to the Contractor.
25. **WAIVER OF BREACH.** The waiver by either party hereto or any breach of any provision of this contract by the other party shall not operate or be construed as a waiver of any subsequent breach of the same or any other provision of this contract by either party hereto.
26. **OWNERSHIP OF DOCUMENTS.** All original documents, calculations, and work product produced by CONTRACTOR, whether produced on paper or electronic media or otherwise in performance of this Agreement, shall be the property of CATA. CONTRACTOR shall have the right to retain a copy of such documents, calculations, and work product. CONTRACTOR shall make available to CATA copies of all CONTRACTOR correspondence, notes, and other papers relating to the work, upon request of CATA. All works of original authorship created in the scope of this Agreement are "works made for hire", as that term is used in connection with the U.S. Copyright Act. To the extent that by operation of law CONTRACTOR retains any intellectual property rights to any work product, CONTRACTOR hereby irrevocably assigns and licenses to CATA all right, title, and interest in such work product, including copyrights and patents, and agrees to execute such assignments and licenses as may be required in the opinion of CATA's legal counsel to confirm this provision. The work product produced by CONTRACTOR in the performance of services under this Agreement is intended for use by CATA solely for the purpose intended. Any use or reuse of such work product by CATA for any purpose other than its intended purpose shall be at the sole risk of CATA and without any liability or responsibility of CONTRACTOR. To the extent that the work product produced by CONTRACTOR contains standard design or construction details or other standardized material previously developed by CONTRACTOR in its professional architectural, engineering, and planning practices, then CONTRACTOR shall have the right to reuse any such material on other projects for other clients or persons without the prior knowledge or permission of CATA and without the payment of any compensation to CATA, provided that the reuse or continued use of such material contains no CATA identifying information or confidential information.
27. **EXCUSES FOR FAILURE TO PERFORM OR DELAYS.** The Contractor will not be in default by reason of any failure in the performance of this contract, if such failure arises out of causes beyond the control and without the fault or negligence of Contractor. Such causes may include, but are not limited to, acts of God or the public enemy, acts of the government either in its sovereign or contractual capacity, fires, floods, and strikes. But in every case, a failure to perform must be beyond the control and without the fault or negligence of the Contractor or its Subcontractors. An excusable delay will permit the Contractor an extension of time for such reasonable period as may be mutually agreed upon between the parties.
28. **COMPUTATION OF TIME.** In computing a period of time prescribed by these conditions, the following rules apply:
- (a) "Day" means days of the week (e.g., Monday through Friday), not business days.

(b) The day of the act or event after which the designated period of time begins is not included.

(c) The last day of the period is included, unless it is a Saturday, Sunday, or legal holiday. In that event, the period runs until the end of the next day that is not a Saturday, Sunday or legal holiday.

29. NOTICE. All notices and other communications required under this Contract shall be given in writing, signed by an authorized representative, and be personally delivered or delivered by overnight courier, or certified mail (return receipt requested) to the addresses set forth below:

To CATA: Chief Executive Officer  
Capital Area Transportation Authority  
4615 Tranter Street  
Lansing, MI 48910

To Contractor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

With a copy to: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

30. JURISDICTION. This Contract will be governed by the internal laws of the State of Michigan without reference to its choice of law rules. Exclusive jurisdiction and venue of any suit, action or claim relating to this contract will be in the Ingham County Circuit Court or the Federal District Court for the Western District of Michigan.

31. This contract constitutes the entire contract between the parties and supersedes all negotiations, commitments, and previous contracts and may be modified only by a further written contract which is executed by a duly authorized officer of each of the parties.

32. COST COMPUTATION. The Federal Acquisition Regulation, 48 CFR, Chapter 1, Part 31.2, shall be used, in all instances, to determine the amount of costs incurred by Contractor that CATA shall be required to pay, or reimburse, to Contractor, including, without limitation, where this Agreement requires CATA to pay Contractor’s costs as part of the contract price, where the contract price is adjusted resulting from changes to the requirements of Agreement, and when calculating the amount due Contractor pursuant to Termination for Convenience clause.

33. TRAVEL EXPENSES. CATA shall not reimburse Contractor for travel costs, including accommodations, meals, transportation and fuel costs, unless the travel activity and the travel costs have been approved in advance by an authorized representative of CATA. All travel costs to be paid by CATA shall not exceed amounts determined in conformance with the Federal Acquisition Regulation, 48 CFR Section 31.205-46, Travel Costs.

B. TERMS INCLUDED IN CONTRACTS FUNDED IN WHOLE OR PART BY FTA, MDOT, OR OTHER GOVERNMENTAL AGENCY.

1. NONDISCRIMINATION.

(a) Compliance with Regulations. Contractor shall comply with Federal Regulations relative to nondiscrimination of the Department of Transportation, Title 49, Code of Federal Regulations, Part 21, and Title 23, Code of Federal Regulations, Part 710.405(b), as they may be amended from time to time (hereinafter referred to as the Regulations), and with Executive Order 11246 titled Equal Employment opportunity, as amended by Executive Order 11375, and as supplemented by Department of Labor Regulation (41 CFR 60) which are herein incorporated by reference and made a part of this contract. Contractor agrees that it will comply with the requirements of U.S. Equal Employment Opportunity Commission, "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 C.F.R. Part 1630, pertaining to employment of persons with disabilities. In addition, Contractor agrees to comply with any implementing requirements FTA may issue.

(b) Nondiscrimination. With regard to the work performed by it during this contract, Contractor shall not discriminate on the grounds of race, color, sex, disability, or national origin in the selection and retention of Subcontractors, including procurement of materials and leases of equipment. Contractor shall not participate either directly or indirectly in discrimination prohibited by Section 21.5 and Part 710.405(b) of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.

(c) In connection with the performance of services under this contract, Contractor agrees to comply with the State of Michigan provisions for "prohibition of discrimination in state contracts" as set forth in Appendix A dated March 19, 1998, a copy of which is attached hereto and made a part hereof.

(d) **ADA Access.** All work performed and all services provided pursuant to this contract shall be in compliance with Federal policy to ensure that elderly individuals and individuals with disabilities have an equal right to use of public transportation services and facilities. To the extent this Contract requires planning and design of services and facilities, special efforts shall be made to implement the transportation and accessibility rights of elderly individuals and individuals with disabilities. The work performed and services provided in this Contract shall be in compliance with all State and Federal statutes and laws ensuring equal access of transportation services and facilities for the elderly and individuals with disabilities, including 49 U.S.C. § 5301(d), § 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794, The Americans with Disabilities Act of 1990, as amended, 42 U.S.C. § 12101 *et seq.*, and the Architectural Barriers Act of 1968, as amended, 42 U.S.C. § 4151 *et seq.*, and any applicable implementing Federal regulations or directives as they may from time to time be promulgated or amended.

(e) This provision B.1 (a)-(e) will be included in all subcontracts relating to this contract. Further, each contract which Contractor signs with a Subcontractor must include the following assurance:

The Contractor, Subrecipient, or Subcontractor shall not discriminate on the basis of race, color, national origin, creed, disability, or sex in the performance of this contract. The Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of US DOT-assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate.

## 2. DBE REQUIREMENTS.

(a) Contractor will carry out the applicable requirements of the Michigan Department of Transportation's Disadvantaged Business Enterprise ("DBE") program and 49 CFR 26, including, but not limited to those requirements set forth in Appendix B, attached hereto and made a part hereof. Failure by the Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy as CATA deems appropriate, which may include, but is not limited to, withholding monthly progress payments, assessing sanctions, liquidated damages and/or disqualifying the Contractor from future bidding as non-responsible.

(b) Contractor shall pay its subcontractors performing work related to this contract for satisfactory performance of that work no later than thirty (30) days after the Contractor's receipt of payment for that work from CATA. In addition, Contractor shall return any retainage payments to those subcontractors within thirty (30) days after the subcontractor's work related to this contract is satisfactorily completed. Contractor must promptly notify CATA whenever a DBE subcontractor performing work related to this contract is terminated or fails to complete the work, and must make good faith efforts to engage another DBE subcontractor to perform at least the same amount of work. The Contractor may not terminate any DBE subcontractor and perform that work through its own forces or those of an affiliate without prior written consent of CATA.

3. **CONTINGENT FEES.** The Contractor warrants that it has not employed or retained any company or person, other than a bonafide employee working solely for the Contractor, to solicit or secure this contract and that it has not paid or agreed to pay any company or person, other than a bonafide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gifts or any other consideration, contingent upon or resulting from the award or making of this contract. For breach or violation of this warranty, CATA shall have the right to annul this contract without liability.

4. **RECORDS/AUDITS.** The Contractor shall maintain and retain, and shall require all its subcontractors to maintain and retain, complete and accurate books, documents, papers, accounting records, contracts, and other evidence with respect to performance of this Agreement, including with respect to allowable costs incurred and manpower expended under this contract. All such records shall be maintained on the basis of generally-accepted accounting principles and shall be clearly identified and readily accessible. The Contractor shall provide during regular business hours to the U.S. Secretary of Transportation, the FTA Administrator, the Comptroller General of the United States, and CATA, or their duly authorized representatives, access to such data and records, and the right to inspect and audit all data and records of the Contractor relating to its performance under the contract, and to make transcripts therefrom as necessary. Contractor shall retain all work data, documents, records, accounts and reports related to this contract for a period of three (3) years from the date of final payment under this contract or from expiration or other termination of this contract. In the event of a dispute as to allowable costs or any other issue under this contract, Contractor will thereafter continue to maintain such records until the dispute has been resolved.

5. **CONFLICT OF INTEREST.** The Contractor certifies that, to the best of its knowledge, no CATA employee or office of any public agency interested in this contract has any pecuniary interest in the business of the Contractor and that no person associated with the Contractor has any interest that would conflict in any manner or degree with the performance of this contract.

6. **INTEREST OF MEMBER OF CONGRESS OR DELEGATES TO CONGRESS.** No member of Congress or delegates to the Congress of the United States shall be admitted to any share or part of the contract, or to any benefit arising therefrom. This shall not be construed to prevent any such person from owning stock in a publicly owned corporation.

7. DEBARMENT AND SUSPENSION. Contractor must comply with U.S. DOT regulations "Nonprocurement Suspension and Debarment", 2 CFR Part 1200, which adopt and supplement the U.S. Office of Management and Budget ("U.S. OMB") "Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement)," 2 CFR Part 180. Contractor will not make any contract, subcontract, or lease for the project without first confirming that its proposed contractor, subcontractor, or lessee is not listed as barred or excluded from participating in government contracts in the System for Award Management (SAM) at [www.sam.gov](http://www.sam.gov).

Contractor agrees to comply with federal debarment and suspension regulations and guidelines when administering any contract or subcontract of \$25,000 or more, regardless of tier. A contract or subcontract award may not be made to a prospective contractor or subcontractor if that contractor is excluded or disqualified under the standards of the U.S. DOT regulations in the U.S. OMB Guidelines, unless the federal government has provided an exception as permitted under those regulations and guidelines. In addition, contracts of any amount for federally required audit services or for contracts which require the consent of a federal official are also covered by these DOT regulations and U.S. OMB Guidelines. Contractor must obtain the compliance of lower tier contractors, subcontractors, and lessees with the U.S. DOT debarment and suspension regulations and the U.S. OMB Guidelines that apply to them. The Contractor further agrees to include provisions requiring compliance as set forth above in lower tier covered transactions.

8. MDOT AND FTA TERMS. All contractual provisions that the Michigan Department of Transportation ("MDOT") or the Federal Transit Administration ("FTA"), by law or regulation, require to be included in contracts supported by state or federal financial assistance, including the requirements set forth in FTA Circular 4220.1F, as updated and amended, and the Master Agreement between CATA and FTA as it may be amended, are hereby incorporated by reference. FTA required terms and MDOT required terms shall be deemed to control in the event of a conflict with other provisions contained in this contract. Contractor shall not refuse to comply with any CATA request to conform this contract to include MDOT or FTA required contractual provisions. The Contractor shall not perform any act, fail to perform any act, or refuse to comply with any CATA requests which would cause CATA to be in violation of the FTA mandated contractual provisions.
9. COMPLIANCE WITH LAWS. The Contractor shall at all times observe and comply with all laws, ordinances, and regulations of the state, federal, local, and city government which may, in any manner, affect the performance of the contract.
10. CLEAN AIR. N/A
11. BUY AMERICA PROVISIONS. N/A
12. CERTIFICATION REGARDING LOBBYING. N/A
13. PREVAILING WAGE. N/A
14. BID BOND. N/A
15. PROTESTS. Any protests shall be filed timely in accordance with the CATA Procurement Protest Procedures. These Procedures are available from the CATA Purchasing & Contracts Manager and the CATA CEO/Executive Director, at the following address: Capital Area Transportation Authority, 4615 Tranter Street, Lansing, MI 48910.
16. PERFORMANCE & PAYMENT BONDS. N/A
17. FEDERAL CHANGES. Contractor shall at all times comply with all applicable FTA regulations, policies, procedures and directives, including without limitation those listed directly or by reference in the Master Agreement between CATA and FTA, as they may be amended or promulgated from time to time during the term of this contract. Contractor shall not, by action or by inaction, cause CATA to be in violation of FTA regulations, policies, procedures, or directives. Contractor's failure to comply with this paragraph shall constitute a material breach of this contract.
18. NO GOVERNMENT OBLIGATION. Notwithstanding any concurrence by the Federal Government or MDOT in, or approval of, the solicitation or award of this Agreement, absent the express written consent by the Federal Government or by MDOT, neither the Federal Government nor the State of Michigan is a party to this Agreement, and neither shall be subject to any obligations or liabilities to CATA, the Contractor or any other party (whether or not a party to this Agreement) pertaining to any matter resulting from this Agreement. The Contractor agrees to include this clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the subcontractor who will be subject to its provisions.
19. CLEAN WATER. N/A
20. ENERGY CONSERVATION. The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act.

## 21. RECOVERED MATERIALS. N/A

22. FLY AMERICA REQUIREMENTS. Contractor agrees to comply with 49 U.S.C. 40118 ("Fly America Act") in accordance with the General Services Administration's regulations at 41 CFR Part 301-10, which provide that recipients and subrecipients of federal funds and their contractors are required to use United States Flag air carriers for U.S. Government financed international air travel and transportation of their personal effects or property, to the extent such service is available, unless travel by foreign air carrier is a matter of necessity, as defined by the Fly America Act. The Contractor shall submit, if a foreign air carrier was used, an appropriate certification or memorandum adequately explaining why service by a United States Flag air carrier was not available or why it was necessary to use a foreign air carrier and shall, in any event, provide a certificate of compliance with the Fly America requirements. The Contractor agrees to include the requirements of this section in all subcontracts that may involve international air transportation.

## 23. CARGO PREFERENCE. N/A

## 24. PROGRAM FRAUD AND FALSE OR FRAUDULENT STATEMENTS OR RELATED ACTS.

- (a) The Contractor acknowledges that the provisions of the Program Fraud Civil Rights Act of 1986, as amended, 31 U.S.C. § 3801 et seq. and U.S. DOT regulations, "Program Fraud Civil Remedies," 49 C.F.R. Part 31, apply to its actions pertaining to this Project. Upon execution of the underlying contract, the Contractor certifies or affirms the truthfulness and accuracy of any statement it has made, it makes, or may make, or causes to be made, pertaining to the underlying contract or the FTA assisted project for which this contract work is being performed. In addition to other penalties that may be applicable, the Contractor further acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification, the Federal Government reserves the right to impose the penalties of the Program Fraud Civil Remedies Act of 1986 on the Contractor to the extent the Federal Government deems appropriate.
- (b) The Contractor also acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the Federal Government under a contract connected with a project that is financed in whole or in part with Federal assistance originally awarded by FTA under authority of 49 U.S.C. § 5307, the Federal Government reserves the right to impose the penalties of 18 U.S.C. § 1001 and 49 U.S.C. § 5307(n)(1) on the Contractor, or the applicable Federal law to the extent the Federal Government deems appropriate.
- (c) The Contractor agrees to include the above two clauses in each subcontract financed in whole or in part with Federal assistance by FTA. It is further agreed that the clauses shall not be modified, except to identify the subcontractor who will be subject to the provisions.

## 25. SAFE OPERATIONS OF MOTOR VEHICLES

- (a) Seat Belt Use – Contractor is encouraged to adopt and promote on-the-job seat belt use policies and programs for its employees and other personnel that operate company-owned vehicles, company-rented vehicles, or personally operated vehicles. The terms "company-owned" and "company-leased" refer to vehicles owned or leased either by the Contractor or CATA.
- (b) Distracted Driving – Contractor agrees to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers, including policies to ban text messaging while using an electronic device supplied by an employer and driving a vehicle the driver owns or rents, a vehicle either Contractor or CATA owns, leases, or rents, or a privately-owned vehicle when on official business in connection with the work performed under this agreement.

**APPENDIX A****PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS**

In connection with the performance of work under this contract, Contractor agrees as follows:

1. In accordance with Act 453, Public Acts of 1976, Contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or as a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. Further, in accordance with Act No. 220, Public Acts of 1976 as amended by Act No. 478, Public Acts of 1980, Contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants shall be regarded as a material breach of this contract.
2. Contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinabove set forth in Section 1 of this Appendix.
3. Contractor will take affirmative action to insure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status or a disability that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to the following: employment, upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. Contractor will, in all solicitations or advertisements for employees placed by or on behalf of Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status or disability that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. Contractor or its collective bargaining representative will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the Contractor's commitments under this appendix.
6. Contractor will comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission which may be in effect prior to the taking of bids for any individual state project.
7. Contractor will furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission, said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor as well as Contractor itself, and said Contractor will permit access to its books, records, and accounts by the Michigan Civil Rights Commission and/or its agent, for purposes of investigation to ascertain compliance with this contract and relevant with rules, regulations, and orders of the Michigan Civil Rights Commission.
8. In the event that the Civil Rights Commission finds, after a hearing held pursuant to its rules, that Contractor has not complied with the contractual obligations under this Agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which Administrative Board may order the cancellation of the contract found to have been violated and/or declare Contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, and including the governing boards of institutions of higher education, until Contractor complies with said order of the Civil Rights Commission. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom Contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Civil Rights Commission to participate in such proceedings.
9. Contractor will include, or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission, and will provide in every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

**APPENDIX B****ASSURANCES THAT CONTRACTORS AND SUBCONTRACTORS MUST MAKE PURSUANT TO US DOT  
REGULATION 49 CFR § 26, et seq**

- A. Contractor, subrecipient or subcontractor shall not discriminate on the basis of race, color, national origin, or sex, in the performance of this contract. Contractor shall carry out applicable requirements of 49 CFR § 26 in the award and administration of DOT-assisted contracts. Failure of the Contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the recipient deems appropriate, which may include, but is not limited to:
1. Withholding monthly progress payments;
  2. Assessing sanctions;
  3. Liquidated damages; and/or
  4. Disqualifying the Contractor from further bidding as non-responsible.
- B. Each contract Contractor signs with a subcontractor must include the preceding assurance.

## APPENDIX C

### CATA Board Policy No. 204

#### **DISADVANTAGED BUSINESS ENTERPRISE POLICY**

The Capital Area Transportation Authority (CATA) has established a Disadvantaged Business Enterprise (DBE) program in accordance with regulations of the U.S. Department of Transportation (DOT), 49 CFR Part 26. CATA has received Federal financial assistance from the Department of Transportation, and as a condition of receiving this assistance, CATA has signed an assurance that it will comply with 49 CFR Part 26.

It is the policy of CATA to ensure that DBEs are defined in part 26, have an equal opportunity to receive and participate in DOT-assisted contracts. It is also our policy:

1. To ensure nondiscrimination in the award and administration of DOT - assisted contracts;
2. To create a level playing field on which DBEs can compete fairly for DOT - assisted contracts;
3. To ensure that the DBE Program is narrowly tailored in accordance with applicable law;
4. To ensure that only firms that fully meet 49 CFR Part 26 eligibility standards are permitted to participate as DBEs;
5. To help remove barriers to the participation of DBEs in DOT-assisted contracts;
6. To assist the development of firms that can compete successfully in the market place outside the DBE Program.

The Purchasing and Contracts Manager has been delegated as the DBE Liaison Officer. In that capacity, the Purchasing and Contracts Manager is responsible for implementing all aspects of the DBE program. Implementation of the DBE program is accorded the same priority as compliance with all other legal obligations incurred by CATA in its financial assistance agreements with the Department of Transportation.

CATA has disseminated this policy statement to the Board of Directors and all of the components of our organization. We have distributed this statement to DBE and non-DBE business communities that perform work for us on DOT-assisted contracts. CATA will give public notice of DBE goals, how the goals were determined, and contact information for public comment.

Adopted: 04/20/2022